

# 2014 DROUGHT HOUSING RENTAL SUBSIDIES PROGRAM GUIDELINES

## DRAFT FOR PUBLIC COMMENT

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### Section 1 - PURPOSE AND SCOPE

These program guidelines shall establish criteria for rental subsidies as required by Part 1.6, Division 24, Chapter 3, Section 34085 of the California Health and Safety Code, "Drought Housing Rental Subsidies". The purpose of this program is to provide rental subsidies for the purposes of disaster relief to persons rendered homeless or at risk of becoming homeless due to unemployment, underemployment, or Other Economic Hardship or Losses resulting from the state of emergency proclaimed by the Governor on January 17, 2014. The Rental subsidies shall provide rental assistance on behalf of individuals who are Unemployed or Underemployed because agricultural or other businesses are affected by the drought conditions, and to other persons who have suffered economic losses due to the drought conditions.

### Section 2 - DEFINITIONS

"Applicant" means any qualified local government agency or nonprofit organization that has submitted an application for funding under the Drought Housing Rental Subsidies Request for Qualifications (RFQ).

"Department" means the State of California, Department of Housing and Community Development

"Eligible Household" means a household that is Unemployed or Underemployed, or has suffered an economic hardship, and is homeless or at risk of becoming homeless due to the drought, and has income at or below the federal poverty level. Current federal poverty rates may be found at <http://aspe.hhs.gov/poverty/index.cfm>.

"Grantee" means one or more Applicants who receive funding pursuant to Chapter 3, Statutes of 2014 (SB 104), to distribute on behalf of drought affected persons and households.

"Homeless or at risk of becoming homeless" means a household who lacks a fixed, regular, and adequate nighttime residence; has a primary nighttime residence not designed for or ordinarily used as a regular sleeping accommodation for human beings; is living in a shelter; who will lose their housing (including housing they rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations); or who has insufficient resources immediately available to attain housing stability.

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“RFQ” is the acronym used for the Request for Qualification. The RFQ is the document used by the Department to request a statement of qualifications from Applicants.

“Other Economic Hardship or Losses” means the household’s income has declined by 15 per cent or more compared to calendar year 2013 due to the drought.

“Qualified Local Government Agency or Non-profit Corporation” means that the agency or corporation has at least twelve (12) months direct experience operating a rental assistance program for lower income persons or households.

“Rental Subsidies” means rent, security deposits, and utilities (excluding telephone, cable/satellite television, and internet service).

“State HOME Activity Delivery Costs” means expenses, as defined at 24 CFR 92.206(d), up to 4.5% of the total HOME funding for Tenant-Based Rental Assistance (TBRA) provided by the Department to cities and counties to provide drought-related TBRA assistance.

“Unemployed or Underemployed” means a household whose current wages and salaries have declined by 15% or more compared to calendar year 2013 due to the drought.

### **Section 3 - RENTAL SUBSIDIES AND STATE HOME ACTIVITY DELIVERY COSTS**

1. The maximum amount of rent subsidies per household shall not exceed the HUD Fair Market Rent.
  - a. Fair Market Rents for 2014 can be found:  
[http://www.huduser.org/portal/datasets/fmr/fmr\\_il\\_history/select\\_Geography.odn](http://www.huduser.org/portal/datasets/fmr/fmr_il_history/select_Geography.odn).
2. Eligible rent subsidy payments consist of rent and utilities (excluding telephone, cable/satellite television, and internet service).
3. The maximum term of assistance per household shall not exceed forty-five (45) days.
4. Eligible expenses include rent in arrears – if necessary to avoid eviction.
5. Hotel and motel vouchers are eligible expenses.
6. State HOME Activity Delivery Costs, paid to cities and counties (or their sub-grantees or sub-recipients) operating drought-related HOME TBRA programs, are an eligible expense.

### **Section 4 - GRANT FUND ALLOCATIONS**

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HCD will distribute grant funds in affected jurisdictions pursuant to information available to the State at the time of award, delineating the relative severity of drought impact in the identified jurisdictions.

### **Section 5 - ADMINISTRATIVE FUNDS**

No more than 10 percent of the grant award may be used for administration and implementation costs, which include general management, oversight, coordination, reporting, and staff and overhead costs directly related to carrying out the project. If the Grantee is also operating a State HOME TBRA program, it may receive an additional 4.5% of the total HOME TBRA funding from SB 104 funds.

### **Section 6 - GRANT SELECTION**

Funds will be awarded to the most qualified applicant based on demonstrated performance in providing rental assistance funding, and to as few providers as possible to provide seamless service delivery in the multi-county drought-impacted area.

### **Section 7 - DOCUMENTATION REQUIREMENTS**

Households seeking assistance must complete an eligibility intake form providing all of the information necessary for the Grantee to determine eligibility per the definition of Eligible Household, as well as any requested demographic data as needed for the Department to complete reports for the Governor's office and the Legislature that may be required. The household seeking assistance shall self-certify that all information is correct and that they will notify Grantee(s) of any changes.

### **Section 8 - REPORTING REQUIREMENTS**

Grantee(s) shall report to the Department weekly on forms prescribed by the Department.

### **Section 9 - AVAILABILITY AND CONTENT OF RECORDS**

The Grantee(s) shall maintain accurate financial and demographic records that, at a minimum, include the grant agreement with the State; any third party contracts/subrecipient agreements; documentation substantiating eligibility (income and drought tie-in) of the Eligible Household; characteristics and location of the Eligible Households; compliance with special program requirements; budget and expenditure information (including draw requests and amounts awarded to each household); and the status of the program and Eligible Household. Records must detail and track all transactions which relate to the grant, and shall be available to the Department for review on request.

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The Grantee shall make their records, administrative offices, and personnel, whether full-time, part-time, consultants or volunteers, available to the Department upon request. The Department may conduct visits before, during, or after disbursement of any grant funds.

### **Section 10 - NONDISCRIMINATION**

During the performance of this Agreement, the Grantee and any subcontractors shall not unlawfully discriminate, harass, or allow harassment against any applicant because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), or marital status.